

and I will, if necessary, give the pages from which the figures are taken—\$189,471 more than their predecessors during every day for the last six years, leaving \$171,018 per day more, with which hon. gentlemen opposite have played, than during the preceding six years. Do you mean to tell me, sir, that any government should rejoice for a single moment in the reduction of the national debt by \$39,000,000 when they had \$171,018 every day more than their predecessors that should have been used to retire our national debt? The extravagance of this administration is something to which I shall presently refer, but I venture to say that the language used by the immortal leader of this party in days when he was in opposition indicates something of the condition which now prevails. These words uttered by Sir John A. Macdonald in Montreal during his opposition days were heard and are recalled by my friend the hon. member for Mount Royal (Mr. White):

As bees in flowers alighting cease to hum.
So settling into place Grits grow dumb.

Those were the observations that he made with respect to the attitude of the Liberal party of that day. I put this to any business man in this house—and there are business men opposite; there are some vitally interested in manufacturing, as I shall presently discuss, but let us face this matter frankly. Here we have a government that extracts from the people over \$400,000,000 more in six years than their predecessors did in the preceding six years and all they are able to show is that they have reduced the funded debt of this country by \$39,000,000. They have had all these vast sums at their disposal, and with reckless extravagance, with a wilfulness that almost makes the Canadian taxpayer despair, they have wasted those moneys upon matters that presently this house will hear discussed. Now they claim credit because they have made the trifling reduction of \$39,000,000 during that period in the funded obligations of this country.

It is worthy of note that during that period they greatly increased our funded obligations by short-date financing which has since been paid off. Just last year the Minister of Finance refunded \$20,000,000 of 4 per cent obligations with \$20,000,000 of 4½ per cent obligations. He had outstanding 4 per cents and he renewed them with 4½ per cents as he said in his budget speech, thus paying one-half per cent higher rate than he paid before and these were long-term, thirty-year engagements as against his previous three-year obligations. Last year I ventured certain suggestions to the house in connection with the national

[Mr. Bennett.]

debt which did not commend themselves very highly to my hon. friends opposite. It may well be that on analysis it is found that the application of the principle that I mentioned to a long-term obligation might not be satisfactory, but I will say this. The Minister of Finance adopted and utilized the suggestion I made in order to secure \$45,000,000 from the banks at 4 per cent at par. That is all. I do not claim undue credit to myself when I say that it was in consequence of the suggestion made in this house last year that my hon. friend was able to do that. He got \$45,000,000—and the Minister of Finance would not be the man to deny the fact—at 4 per cent at par as against the \$20,000,000 he borrowed in the open market at 4½ per cent at slightly better than 97. So you see, though vague and indifferent it may seem to the hon. member for North Battleford (Mr. McIntosh) and others, the suggestion was ample to meet the necessities of the particular case which I had in mind.

What further do I say about the national debt of this country? I say that we should make a determined effort to deal with our national debt on the basis of paying it off. In that regard let me read a single observation from President Coolidge which I think has more application to this country than it has to the United States of America. Speaking in November last, at the union league, the president said:

At the end of this fiscal year almost one-third of the entire debt will have been paid. The saving in interest alone is about \$1,000,000 each day. But well over \$18,000,000,000 (eighteen billions) of debt still remain. It is a menace to our credit. It is the greatest weakness in our line of national defence. It is the largest obstacle on the path of our economic development. It should be retired as soon as possible under a system of reasonable taxation. This can only be done by continuing the policy of rigid government economy.

The results have not been easy to accomplish. They have been extremely hard. They have been anything but commonplace. They mark a new epoch and set a new record in successful government financing. The great burden of the work will be indicated when it is remembered that the congress was called in extra session in the spring of 1921 and remained in session for nearly two years. The task is not yet completed, but we have reached the point where we can see the end. We are turning toward a new era.

Because of the past insistence on economy in national expenditures we are in a position to have further moderate tax reduction. But let it be remembered that tax reduction is possible solely on account of economy. Anybody can spend the money somebody else has saved.

Some hon. MEMBERS: Hear, hear.

Mr. BENNETT: The cheers of the hon gentlemen who sit opposite indicate that they